

ReedSmith

Driving progress
through partnership

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February 11, 2025

Via ECF

Honorable John P. Mastando
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, New York 10004

Re: *In re Eletson Holdings, Inc., et al.*, Bankr. S.D.N.Y. 1:23-bk-10322 (JPM)

Dear Judge Mastando:

We write on behalf of Reed Smith LLP ("Reed Smith") and, to the extent this Court recognizes that it is a party and required or entitled to have counsel, then also on behalf of Provisional Holdings. We write in connection with the Emergency Motion for Entry of a Further Order ("Motion") (Dkt. No. 1416). Pursuant to the Court's order of Friday (Dkt. No. 1420), we will oppose the Motion on February 17.

The Motion purports to seek sanctions jointly and severally against the "Ordered Parties," without ever identifying the specific entities that are intended to be within the scope of those sanctions. This is a plain violation of the Constitution and the governing Rules, as we have argued previously and will show again. Movant has raised its abuse of process to a new level, however. Since the filing of the Motion, movant has indiscriminately emailed copies of its Motion to various counsel not representing Holdings but other entities in ongoing proceedings in London and the British Virgin Islands. Movant has done so with the sole motivation of threatening these (and other) non-parties, falsely indicating that they could be subject to sanctions. There is no evidence, nor could there be, that these lawyers have ever represented Eletson Holdings. Nor is there a shred of evidence that these lawyers have been served or that they have done anything, or indeed could do anything, in Liberia. There is no colorable basis upon which these lawyers, or Reed Smith by virtue of joint and several liability, could be held liable for their conduct.

Movant's constant attack on lawyers is what is sanctionable. It is part of its strategy to deprive persons and entities of the right to counsel. Movant's flagrant misuse of Bankruptcy Court process, coupled with the blatant failure even to serve these parties as required by the Constitution and the Rules, deserves the Court's serious condemnation. We intend to seek that relief as part of our opposition and raise the issue now to avoid any argument by Movant that it was surprised by that requested relief.

Respectfully submitted,



Louis M. Solomon

cc. Counsel of Record

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